

To: Rhode Island Renewable Energy Fund Advisory Board *(Draft)*
From: Nancy Selman
Date: March 3, 2005
Re: Meeting Minutes for February 8, 2005

Next meeting dates: Second Tuesday of every month. For 2005: 3/8, 4/12, 5/10, 6/14, 7/12, 8/9, 9/13, 10/11, 11/8, 12/13.

In attendance: See attached Attendance List.

- 1) Minutes and Update
 - a) Minutes
 - i) Deliberative polling is also known as “push polling” and is a process by which information is provided to the polling subject on a given topic before the subject’s opinions are sought.
 - b) Update
 - i) Portsmouth Abbey editorial change – The fact that Lefteris Pavalides has been having discussions with the Town of Portsmouth has raised the level of awareness of wind energy in general and the Portsmouth Abbey project in specific among Town administrators.
 - c) URI wind project – Dave Lamb gave an update on the project. Consultants to the Fund are developing a financial model to analyze cash flows for the proposed URI wind project under different ownership and financing scenarios. URI will likely be approaching the Fund for a grant for wind measuring equipment.
- 2) Smartpower - The Board voted in January 2005 to take \$11,000 from the 2005 Smartpower budget of \$185,000 to fund the GreenUp ballot in October. This decision was reversed due to the fact that Smartpower’s understanding of the Fund’s commitment of \$185,000 was that this was a firm commitment. A subcommittee has been formed and a teleconference was held to discuss Smartpower’s proposed work plan and have questions on the plan answered. The subcommittee will teleconference on an ongoing basis every fourth Tuesday of the month at 9 am. Chris Warfel will be added to subcommittee. Smartpower will be instructed to execute the work plan subject to the subcommittee’s ongoing involvement and review.
- 3) Strategic Planning – Due to the fact that the current legislature is having ongoing discussions regarding alternate uses of the SBC charge, the Fund needs to expedite its strategic planning process. A draft plan developed by Bob Grace was handed out. The Board approved the hiring of a facilitator (fee of \$10,000) to conduct two strategic planning sessions and related activities towards developing the plan.
- 4) SolarWrights – passed out a paper describing their views of the solar market in RI.
- 5) Roger Williams University PV Installation Data Request – Narragansett has a requirement by the PUC to collect data on the electricity generation by solar PV systems in the State. NECO has been having difficulty obtaining data. It was decided to send a letter to all PV installations to remind them of the data requirement and make annual data collection a part of Fund solar program requirements.
- 6) Budget – An Excel spreadsheet was circulated which detailed every project the Fund has committed to and/or funded since January 1, 2003. Suggestions for changes in presenting the budget data included:
 - a) Subtotal each category;
 - b) Track hi/low, such as ranges in the Berkshire RECs commitment; and
 - c) Commitments and payments should always be shown on the same page.
- 7) Berkshire Wind Update – The Berkshire Project is in final permitting stages, an equity investor has been found, and the contract between the Fund and Berkshire has been

negotiated and is being finalized. It is anticipated that the Project will be constructed in 2005 to take advantage of the Federal production tax credit (PTC) which has been extended through the end of calendar year 2005.

- 8) Nova Recovery Group – Representatives from the law firm Nicholson and Sands made a powerpoint presentation and showed 2 videos explaining plasma arc (Startech) and related fuel cell technology (Fuel Cell Energy). The Nova Group would like for the plasma arc/fuel cell combined technology offering to be an eligible technology for the RES and the Fund.
- 9) Rentricity – Rentricity presented a report based on the study for which the Fund provided a \$25,000 grant. The findings of the study included:
 - a) There are about 10 to 20 developable sites representing 200 to 500 kW of power. It was pointed out that these findings are different from initial assumptions of a developable potential of up to 2 MW. The design of Rhode Island's potable water systems appears to be efficient from the point of view of minimum piping energy losses.
 - b) Rentricity is proposing to focus initially on the largest 3 sites; furthermore, two are being singled out for immediate action and additional funding by the Fund:
 - i) Pawtucket – a \$70,000 recoverable loan is being requested for the detailed design of a 90 to 130 kW project, with an estimated payback of 3-5 years. Three to five years is also the proposed term of repayment of the loan (beginning with initial project operation.) The Pawtucket project is an especially attractive opportunity since the water treatment plant is a new construction project and there is an opportunity to design modifications to accommodate the Rentricity project into the overall project prior to construction of the facility.
 - ii) Providence - a \$40,000 recoverable loan, in 2 - \$20,000 phases, is being requested to study the opportunity to obtain an exemption from FERC licensing to install a 100 kW unit in a water main that has a mandated water release immediately downstream of the Scituate Reservoir. A prior traditional hydropower FERC process involving the Scituate reservoir ended in the surrender of the FERC license in the face of requirements for expensive dam safety modifications and procedures and recreational upgrades in order to build the proposed traditional hydropower project. Rentricity is confident it can achieve a FERC license exemption because installing its equipment in the water main will not change any characteristics of the release.
 - c) Further action – There is further potential for a project at Woonsocket and smaller sites. Woonsocket is not cooperating with Rentricity and Rentricity would like to work with the Fund and others in the state on ways to obtain their cooperation. Smaller sites may be developed in the future with different microturbine technology that Rentricity is now studying.

The Board voted to approve a \$70,000 recoverable loan for the Pawtucket project design. In addition, a \$20,000 recoverable loan to study the FERC exemption for the Scituate project was approved. The full \$90,000 is subject to agreement between the Fund and Rentricity to secure the RECs for the ratepayers' and/or State's benefit. The second phase of the Scituate request will be considered after and based upon the findings of the first phase.

Decisions:

- 1) The Board agreed to restore the \$11,000 taken from the Smartpower budget to fund the GreenUp ballot in October.
- 2) The Board approved funding \$10,000 for the hiring of a facilitator to conduct two strategic planning sessions and related activities.
- 3) The Board voted to approve a \$70,000 recoverable loan for the Pawtucket project design, and a \$20,000 recoverable loan to study the FERC exemption for the Scituate project.

Actions

- 1) Letter will be sent to Smartpower accepting the work plan. A subcommittee will teleconference each month to monitor the Smartpower workplan.
- 2) The Fund will have at least 2 meetings of the full Board devoted to the development of the strategic plan. The meetings will be led by a facilitator.
- 3) A letter will be sent to PV project hosts asking them to cooperate with Narragansett's data collection requirement.
- 4) Improvements will be made to budget reporting.
- 5) A letter detailing the terms of \$90,000 in recoverable loans, including the terms under which the Fund can secure RECs from the projects, will be sent to Rentricity.

Attendance:

Bossung, Keith
Capobianco, Julie
Chew, Bob
Christie, Jack
Condon, Pat
Cook, Norman
Edwards, Jonathan
Farley, John
Grace, Bob
Jacobson, David
Keller, Janet
Lamb, David
Levitt, James
Lueker, Bill
Maymon, Russ
McClanaghan, Janice
Nicholson, Richard
Richard, Carissa
Rochon, Emily
Rose, Vin
Ryan, Eleanor
Selman, Nancy
Shatten, Bob
Spinell, Al
Stearns, Dave
Stephens, Erich
Stephens, Erich
Teichert, Kurt
Vild, Bruce
Ward, Harold
Warfel, Christopher
Wilbur, William
Zammataro, Frank
Zox, Alan